

Agency:	107 Health Care Authority
Decision Package Code/Title:	ML1-93 Mandatory Caseload Adjustments
Budget Period:	2015-17 Biennial Submittal
Budget Level:	ML1 – Maintenance Level 1

Recommendation Summary Text

PLACEHOLDER

The Health Care Authority (HCA) requests an increase of \$2.5 billion (\$107 million GF-State) in the 2015-2017 Biennial Budget to align with projected costs based on caseload changes identified in the June 2014 Forecast for Fiscal Years 2016 and 2017. Carry forward level funding is based on the February 2014 Medical Assistance and Caseload Forecast.

Package Description

Projected costs are based on calculations of the incremental change in the monthly numbers of eligible persons between the February 2014 Caseload Forecast and the June 2014 Caseload Forecast. Changes in the forecasted count of eligible persons were multiplied by the applicable February 2014 forecast monthly per capita costs for FY2014 to provide an estimate of net change in spending related to these caseload changes.

This methodology isolates the additional costs attributable only to the changes in forecasted client caseloads and thus reflects changes in funding needed based on current program policies.

Questions related to this request should be directed to Jie Tang at (360) 725-1319 or Jie.Tang@hca.wa.gov.

Fiscal Detail/Objects of Expenditure

	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
1. Operating Expenditures:			
Fund 001-1 GF-State	\$ 25,115,000	\$ 81,990,000	\$ 107,105,000
Fund 001-7 GF-Private/Local	\$ 1,096,000	\$ 1,789,000	\$ 2,885,000
Fund 001-C GF-Federal Medicaid Title XIX	\$ 1,220,147,000	\$ 1,212,045,000	\$ 2,432,192,000
Total	\$ 1,246,358,000	\$ 1,295,824,000	\$ 2,542,182,000
	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
2. Staffing:			
Total FTEs	-	-	-

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	FY 2016	FY 2017	Total
3. Objects of Expenditure:			
A - Salaries And Wages	\$ -	\$ -	\$ -
B - Employee Benefits	\$ -	\$ -	\$ -
C - Personal Service Contracts	\$ -	\$ -	\$ -
E - Goods And Services	\$ -	\$ -	\$ -
G - Travel	\$ -	\$ -	\$ -
J - Capital Outlays	\$ -	\$ -	\$ -
N - Grants, Benefits & Client Services	\$ 1,246,358,000	\$ 1,295,824,000	\$ 2,542,182,000
Other (specify) -	\$ -	\$ -	\$ -
Total	\$ 1,246,358,000	\$ 1,295,824,000	\$ 2,542,182,000

	FY 2016	FY 2017	Total
4. Revenue:			
Fund 001-2 GF-Federal	\$ -	\$ -	\$ -
Fund 001-7 GF-Private/Local	\$ 1,096,000	\$ 1,789,000	\$ 2,885,000
Fund 001-C GF-Federal Medicaid Title XIX	\$ 1,220,147,000	\$ 1,212,045,000	\$ 2,432,192,000
Total	\$ 1,221,243,000	\$ 1,213,834,000	\$ 2,435,077,000

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The HCA expects to continue to provide access to quality health care to approximately 1.4 million low-income individuals in the State of Washington.

Performance Measure Detail

Activity Inventory

H006 HCA Transitional Bridge Waiver Clients

H008 HCA Children's Health Program Clients

H009 HCA State Program Clients

H010 HCA Health Options

H011 HCA All Other Clients – Fee for Service – Mandatory Services

H012 HCA All Other Clients – Fee for Service – Optional Services

H013 HCA Supplemental Medicare Insurance Buy-In

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Is this decision package essential to implement a strategy identified in the agency's strategic plan?

The mission of the HCA is to provide high quality health care for the state's most vulnerable residents. This step supports this mission by ensuring that the existing policies for Medicaid, Children's Health Insurance Program (CHIP), and state-only programs are adequately funded.

Does this decision package provide essential support to one or more of the Governor's Results Washington priorities?

This package supports Governor Inslee's Results Washington Goal 4: Healthy and Safe Communities - "Provide access to good medical care to improve people's lives."

What are the other important connections or impacts related to this proposal?

The Medicaid and CHIP programs are subject to the maintenance of eligibility (MOE) requirements mandated under National Health Care Reform. Washington State must maintain existing eligibility standards and benefits coverage to 2014 for adults and 2019 for children.

What alternatives were explored by the agency, and why was this alternative chosen?

Alternatives include the following, all of which violate the MOE provision of National Health Care Reform:

- Reduce eligibility criteria to 133 percent of the federal poverty level (FPL);
- Reduce or eliminate state-only funded caseloads; and/or
- Reduce or eliminate optional service to clients.

What are the consequences of adopting this package?

The HCA will be able to maintain services and caseload for low-income population in the State of Washington. The HCA will also be meeting the MOE requirements under the National Health Care Reform for the Medicaid and CHIP programs.

What is the relationship, if any, to the state capital budget?

None

What changes would be required to existing statutes, rules, or contracts, in to implement the change?

None

Expenditure and Revenue Calculations and Assumptions

Revenue Calculations and Assumptions:

See the attached table.

Expenditure Calculations and Assumptions:

See the attached table.

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Which costs, savings, and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

Distinction between one-time and ongoing costs:

All costs are ongoing and will impact future biennia.

Budget impacts in future biennia:

All costs are ongoing and will impact future biennia.

Washington State
Health Care Authority

Name	FY 2014			2014 Total	FY 2015			2015 Total	Grand Total
	General Fund State (GF-S)	General Fund Federal (GF-F)	General Fund Local (GF-L)		General Fund State (GF-S)	General Fund Federal (GF-F)	General Fund Local (GF-L)		
Other Pregnant Women	1,199,000	1,574,000	8,000	2,781,000	1,176,000	1,503,000	9,000	2,688,000	5,469,000
Alien Emergency Medical - All	12,613,000	15,827,000	349,000	349,000	14,314,000	17,613,000	440,000	32,367,000	61,156,000
Newly Eligibles	0	1,165,006,000	0	1,165,006,000	13,377,000	1,109,370,000	0	1,122,747,000	2,287,753,000
CN TANF	(146,312,000)	(164,124,000)	(645,000)	(311,081,000)	(148,804,000)	(161,969,000)	(630,000)	(311,403,000)	(622,484,000)
CN Aged	1,837,000	617,000	2,000	2,456,000	5,628,000	1,914,000	8,000	7,550,000	10,006,000
CN Blind/Disabled	(5,352,000)	(5,562,000)	(96,000)	(11,010,000)	9,001,000	9,529,000	161,000	18,691,000	7,681,000
CN Other Children	167,294,000	207,218,000	1,583,000	376,095,000	182,410,000	221,758,000	1,882,000	406,050,000	782,145,000
CN Pregnant Women	(11,085,000)	(11,401,000)	(31,000)	(22,517,000)	(3,441,000)	(3,493,000)	(10,000)	(6,944,000)	(29,461,000)
Other Disabled - Breast & Cervical Cancer	106,000	176,000	2,000	284,000	305,000	503,000	9,000	817,000	1,101,000
Medicaid Buy-In - HWD	(52,000)	(55,000)	(1,000)	(108,000)	(52,000)	(54,000)	(1,000)	(107,000)	(215,000)
MN Aged	(30,000)	(13,000)	0	(43,000)	(30,000)	(14,000)	0	(44,000)	(87,000)
MN Blind/Disabled	(1,857,000)	(2,149,000)	(75,000)	(4,081,000)	(1,770,000)	(2,030,000)	(79,000)	(3,879,000)	(7,960,000)
MSP QMB Only-Partial Dual	466,000	465,000	0	931,000	842,000	841,000	0	1,683,000	2,614,000
SCHIP	6,859,000	12,669,000	0	19,528,000	8,934,000	16,567,000	0	25,501,000	45,029,000
MCS Alien Medical	(961,000)	(152,000)	0	(1,113,000)	(309,000)	(50,000)	0	(359,000)	(1,472,000)
Childrens Health Program	390,000	51,000	0	441,000	409,000	57,000	0	466,000	907,000
GRAND TOTAL	25,115,000	1,220,147,000	1,096,000	1,246,358,000	81,990,000	1,212,045,000	1,789,000	1,295,824,000	2,542,182,000

